4 Social Cooperatives and Tourism: Navigating Economic Sustainability and Social Reintegration in Venice

A Study on Inmates' Empowerment, Social Innovation, and Local Resistance in Venice's Tourism Economy

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4.1 Introduction

This research emerges from the meeting point of two complex realities: the growing dominance of tourism in Venice and the often invisible struggles for rehabilitation of inmates.

More specifically, it investigates how social cooperatives in Venice deal with the tensions between them. In this context, cooperatives

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represent a unique actor: they are at once businesses and social projects, rooted in the everyday life and struggle of the city and the market. Therefore, their work raises key questions about the possibility of building stable, inclusive and sustainable alternatives for their stakeholders within a system characterised by speed and profit. To answer this, the essay draws from a theoretical framework built on authors who have critically analysed the effects of capitalism on society. At the centre are Karl Polanyi's idea of embeddedness and Anthony Giddens' concept of the 'third way'. On one hand, Polanyi helps explain how the economy has become detached from society, treating land, labour and money as commodities, and how this disconnection fuels inequality and crisis. His notion of the 'double movement' which describes society's pushback against unregulated markets, is especially helpful in understanding cooperatives as forms of resistance in touristic cities like Venice. On the other hand, Giddens' 'third way' helps frame the potential of hybrid models, like cooperatives, to go beyond both state dependency and unregulated markets. His idea of positive welfare and generative politics aligns closely with the bottom-up, participatory strategies observed in the case studies. Further insights from Nussbaum, Kabeer and Granovetter enrich the analysis by focusing on capabilities, empowerment, dignity, and the relational dimension of economic activity. In this space between market and welfare, social cooperatives stand out as forms of social innovation, as they build a system where economic activity and social inclusion go hand in hand while bringing new jobs and services. This idea is captured well by Mongelli and Rullani's concept of Social Business Hybrids (SBHs): organisations that survive in the market while maintaining a strong social mission, by creating access to work, to rights, and to meaningful participation for people who are often marginalised.

The essay is structured in five chapters. The first introduces the research context, situating it at the crossroads of two current academic debates: inmate labour in social cooperatives and social innovation in tourism. It also presents the research questions, case selection, and the methodology based on qualitative interviews and document analysis. Moreover, the second chapter builds the theoretical framework to conceptualise alternative economics practices. Chapter three zooms in on the Italian prison system, exploring how work and rehabilitation are framed through laws and daily practices, with a particular focus on how this plays out in the Venetian penitentiary system. Furthermore, chapter four presents the case studies of Rio Terà dei Pensieri and Il Cerchio, illustrating their origins, governance and direct or indirect interactions with tourism. Finally, the last chapter brings everything together: it interprets the empirical findings through the lens of theory and the phenomenon of mass tourism. It shows how these cooperatives act as quiet forms

of resistance and reclaim agency through labour. To sum up, this essay hopes to show that even in a city like Venice, often reduced to a postcard, there are still spaces where different values co-exist, where people are trying to build something together for a better future.

4.2 Social Cooperatives, Inmates and Tourism

This essay is situated at the intersection of two ongoing academic debates: the role of social cooperatives in prison and the potential of social innovation in tourism. While both debates have evolved mainly separately, this research brings them into conversation by exploring how prison-based social cooperatives navigate a tourism-driven economy, specifically in the city of Venice. In doing so, it seeks to offer both theoretical and empirical insights into how these organisations balance their social mission with external market pressures, and how marginalised actors can participate in alternative forms of redemption and independence within highly commodified urban spaces.

4.2.1 Positioning the Research: Inmate Labour in Social Cooperatives and Social Innovation in Tourism

Social cooperatives have emerged as key hybrid organisations capable of reconciling economic and social goals. In Italy, Type B cooperatives – the ones that help marginalised individuals find a durable employment – exemplify this approach, offering not just mere work opportunities, but a full reintegration through care, responsibility, and personal development (Borzaga, Santuari 2001; Mongelli et al. 2018). Among all types of Type-B cooperatives, this essay will focus mainly on social cooperatives working with inmates. Empirical research confirms the social value of such initiatives, as they promote dignity, responsibility, and self-worth, with evidence suggesting a drastically lower recidivism rates among the inmates who participated in these kinds of projects (Cavotta, Rosini 2021; Materia 2017; Pamio et al. 2025). Mongelli et al. (2018) frame these rehabilitative processes as instances of 'integral human development' (IHD), where cooperatives serve to encourage the physical, psychological and spiritual dimensions of a person, supporting the full development of their workers. At the organisational level, cooperatives are also understood as social business hybrids, as they combine economic viability with a mission of inclusion (Mongelli, Rullani 2024). They create value in two ways: by involving inmates in meaningful production and economic activities ('creation enablement') and by offering them access to opportunities

and networks otherwise out of reach ('access enablement') (Mongelli, Rullani 2024). Furthermore, Pamio et al. (2025) contribute to this debate by proposing a taxonomy of jail-based cooperative models based on task creativity and training style. From the 'high creativity/ on-the-job training' model, which emphasises hands-on learning and the prisoners have considerable freedom and creativity, to the 'high creativity/ formal training' model, which combines creative activities with formal training provided before and during work. Conversely, 'low creativity/on-the-job training', the most common model, supports larger-scale, routine work with a broader number of inmates participating but with reduced flexibility, and 'low creativity/formal training' focuses on a precise and formal training before work, followed by a stable, structured production, reducing the need for constant supervision. Nevertheless, while the literature emphasises the rehabilitative potential of these cooperatives, it also acknowledges their challenges. Scholars highlight the bureaucratic barriers within prisons, cultural resistance from staff, and access restrictions that often replicate existing inequalities (Pamio et al. 2025; Mongelli et al. 2018). Moreover, prison work often differs significantly from outside-world employment. It is not uncommon for labour behind bars to be poorly paid, with limited protections and few opportunities for developing meaningful skills (Kalica 2014). Tasks tend to be repetitive and basic, offering little in terms of personal growth or future employment. Another issue is how these jobs are assigned. Rather than aiming to support the rehabilitation of the majority of inmates, the system often favours those who are already compliant and productive. In this context, labour is used less as a tool for reintegration and more as a way to manage prison life: to keep inmates occupied, reduce tensions, and maintain order, rather than truly prepare them for life after prison (Kalica 2014).

Parallel to this, the essay considered social cooperatives as forms of social innovation. In recent years, social innovation (SI) has started to gain popularity in tourism studies as a way of responding to economic and social challenges. The current academic debate on social innovation in tourism (SIT) offers useful insights. Defined as bottom-up responses to unmet social needs (Mulgan et al. 2007; Oosterlynck et al. 2019), SIT emphasises participatory, community-based alternatives to mainstream tourism models. Although the first academic papers to mention SIT appeared in 2007, it was not until 2021 that the topic reached its peak (Busacca, Tzatzadaki 2025). This shift reflects a broader change in how innovation is understood. The common technology-driven innovation models are being replaced by a more participatory, place-based and inclusive approach (Busacca, Tzatzadaki 2025; Wirth et al. 2022; Borghys et al. 2020). This shift can be described as 'democratisation of innovation', such as a process that centres users in creating innovations that respond to

real local needs (Borghys et al. 2020). Still, as both Busacca and Tzatzadaki (2025) and Wirth et al. (2022) highlight, the SIT field lacks clear definitions. The term 'social innovation' is often used without a precise theorisation, which makes it challenging to build a solid theoretical ground. In addition, much of the research tends to focus on touristic actors, overlooking the importance of non-touristic players (Wirth et al. 2022). The case studies are usually located in moderate tourist areas, despite mass tourism's effects being highly recognised (Busacca, Tzatzadaki 2025). Busacca and Tzatzadaki (2025) also note that the term 'community' itself needs a critical and precise definition. The latter is often used vaguely, masking the internal diversity and conflicts. Similarly, the debate on prison-based cooperatives remains ambiguous. Pamio et al. (2025) highlight the lack of comprehensive research on this kind of cooperatives, noting that most scholarship is limited to individual case studies. Mongelli et al. (2018) also underscore the theoretical dominance in the discussion of IHD and call for more empirical research on the practical strategies of cooperatives in the prison context.

4.2.2 The Research Question: *How Do Social Cooperatives Working with Inmates Position Themselves Within the Venetian Tourism-driven Economy?*

What emerges is a series of gaps that this essay aims to address by bridging the two contemporary active debates aforementioned. In fact, the essay makes three significant contributions through investigating how these cooperatives position themselves in the Venetian touristic setting. First, it expands the conceptual boundaries of SIT by including non-traditional actors, such as inmates and prison staff, within the landscape of tourism innovation. Second, it deepens the literature on cooperatives' hybridity by exploring how these organisations manage tensions between their social missions and the demand for visibility, efficiency, and market logics imposed by tourism. Third, it challenges the often vague use of 'community' in both fields by empirically unpacking who constitutes the cooperative's community in this scenario, how conflicting interests are negotiated, and what forms of management are enacted. Instead of focusing solely on their rehabilitative impact or internal governance, this research asks how these organisations engage with the broader economics of tourism. It explores how they adapt to, or resist, the socio-economic imperatives brought by mass tourism, and how compromises or innovations emerge in the process. Building on this expanded view, the following research question guides the entire inquiry: How do social cooperatives working with inmates position themselves within the Venetia tourism-driven economy? From here,

other sub-questions arise naturally to help illuminate the practical strategies and deeper tensions at play: How do these cooperatives manage the tension between economic stability and the slower, social nature of work inside prisons? In a city where products are judged by their appearances, how do they communicate the social meaning behind what they make? And finally, how do the different actors involved – cooperative staff, inmates, prison administration, local institutions, local citizens and even tourists – interact and influence each other in this intrigued field? From the analysis of these interactions, the essay offers a close-up view of how innovation, inclusion and dignity are translated into the cooperative's everyday practices. It adds a concrete case to the broader conversation on social enterprises, while also making space for the voices that are too often left out of debates on tourism, labour and urban change.

4.2.3 Methodology and Case Studies

To explore these dynamics in depth, the essay adopts a qualitative case study approach, grounded in semi-structured interviews enriched with document and website analysis. The research focuses on two Venetian social cooperatives: Rio Terà dei Pensieri and Il Cerchio. Both organisations operate inside and in close connection with the prison system and are actively engaged in the production of goods and services. These cases were selected firstly because they operate in the local landscape investigations, such as Venice, but also because of the many services they provide; from artisanal product making to public green area maintenance and so on. As a matter of fact, both cooperatives offer a broad view of how carceral labour can intersect with the outside world. However, given this essay's focus on the relationship between social cooperatives and tourism, particular attention was given to the retail and production of goods activities, the ones most visible to visitors and most affected by the rhythms of the touristic economy. The primary data was gathered through two interviews with a representative from each cooperative. These conversations were then contextualised by materials available on the cooperatives' websites, as well as public reports. This combination allowed to investigate not just what the cooperatives do, but also how they narrate their mission, present themselves to the public, and frame the scope of their work. Ultimately, instead of seeking generalisable conclusions, the aim is to generate rich, contextualised insights into how cooperatives perform under an exploitative mass-tourism monoculture.

4.3 Theoretical Foundations for Alternative Economics: Giddens, Polanyi, and Beyond

Debates concerning novel socio-economic frameworks have been triggered by the shortcomings of conventional economic systems, from the excessively unregulated capitalist model to the overly centralised socialist one. Social cooperatives, which combine social and economic goals to foster equality, sustainability, and community involvement, stand out among the suggested alternatives. This section examines the theoretical contributions of thinkers who managed to rethink the economic landscape to offer a basis for comprehending the possibilities of social cooperatives.

Among those who argue that a new strategy is required, Anthony Giddens stands out with his idea of a 'third way' or 'positive welfare' (Giddens 2006, 383) as a solution for the issues within capitalism and the uncertainty of socialism. In the first chapters of "Beyond *Left and Right*" (1994), Giddens introduces the term 'New Right' or 'Neoliberalism' to describe a political approach that places the capitalist market at the centre of the economic and social system, differing from traditional conservatism, which majorly focused on the conservation of the aristocracy, hierarchy, and the importance of religious institutions over the individuals (Giddens 1994, 25). Friedrich von Hayek, whom Giddens regarded as an 'universalist' (1994, 34) for opposing any government control of the market because it impedes individual liberties, is a prime example of this viewpoint. Hayek contends that pricing data is the only trustworthy indicator of how the economy is doing and that deregulation is a necessary reaction to the problems posed by globalisation (1994, 46). While this ideology has survived the pressures of globalisation, extreme deregulation of the economic apparatus has eroded social cohesiveness and sustained inequalities. In this context, Giddens points out how modern capitalism has severed the direct link between producers and consumers, leaving the coordination of economies to the interaction between prices and profits. This shift reduced human labour to a commodity to be traded on the market, raising questions about the democratic nature of a society in which resources are so inequitably distributed (1994, 57). In this regard, Karl Polanyi (1994) describes the commodification of human labour and land as a 'commodity fiction' (Polanyi 1994, 167). According to him, the market economy is "controlled, regulated, and directed by market prices". (1994, 162). Therefore, every element interacting with it, from labour to money and land, is assumed to be only regulated by supply and demand. These elements are treated as mere commodities, even though they are not inherently produced for sale. As a consequence, the economy evolved as a separate field unrelated to socio-political life, while the market became an institution itself. In fact, "A self-regulating market

demands nothing less than the institutional separation of society into an economic and a political sphere" (1994, 165).

For Polanyi, institutionalism primarily meant that economic behaviour could not be interpreted solely with an individualist lens, but social institutions intrinsically shaped it (Trigilia 2002, 97). The market's focus on profit did not emerge by accident; it was the outcome of political, cultural, and economic decisions that transformed societies from agricultural to industrial economies. An example of this process is the introduction of expensive specialised machines, which were only profitable when large goods were produced (Polanyi 1994, 120), pushing the merchant to rely on profits and overproduction. Such efforts to disembed the economy from social institutions inevitably led to the wreck of the working class's living standards, which were totally dependent on the market. This process, in turn, created many societal and environmental crises (1994, 165). For instance, commodifying land disturbs ecological stability, whereas treating labour as an exchange item diminishes human dignity and weakens community bonds. For this reason, disembedding the market can be compared to stretching an elastic band (1994, 23). As market liberalisation intensifies, societal tensions grow, and the elastic band is either forced to snap (leading to social disintegration) or rebound, pushing the economy back into an embedded position. This dynamic is captured in Polanyi's concept of 'double movement', which describes the fight between market liberalisation and societal resistance (1994, 170). The economy's dependence on political structures is reaffirmed as new resistances arise to offset the disruptive impact of unregulated markets. In the modern context, social cooperatives represent a tangible response to this tension, offering an alternative pathway that reintroduces social values into production and exchange.

Polanyi's critique of market liberalisation echoes earlier debates in economic thought, underlining that the problematic was not discovered just by sociologists but by economists too. In fact, both Adam Smith and Karl Marx, though often positioned as opposites, acknowledged the deep ties between economy and society. Even if Smith is usually known as the father of '*laissez-faire*', he actually believed that markets function correctly only when constrained by institutional rules (Trigilia 2002, 21). According to him, public benefits arise not just from unchecked self-interest but when personal pursuits are socially disciplined. Subsequently, he introduces the concept of sympathy, which involves "identifying with values shared with other members of society, who may approve or disapprove of our behaviour" (2002, 21), thereby establishing that economic actors are not mere rational profit maximisers, but also somewhat shaped by the social norms around them. Moreover, Marx introduced the idea of the commodification of labour and how the latter is one of the main threats to social cohesion.

According to Marx, the commodification of labour is strictly linked to the creation of surplus value by the capitalists. By surplus value, he means the difference between the value created by workers and the wages they receive, a gap that becomes profit for the capitalist (Foley 1986, 47). To foster economic growth faster, workers sell their labour power, such as their capacity to work, but produce more than what they are paid for. That extra, unpaid value is surplus (1986, 47). Labour power is sold at its value, and it is used to generate more value in production, which the capitalist owns (1986, 34). Marx represents this with the M-C-M' formula: capitalists invest money (M), buy commodities (C), including labour power, and sell the finished product for more money (M') (1986, 33). The moment labour power becomes a commodity signals a historical turning point with profound social consequences (1986, 35). Labour starts to reflect a social position, living standard, and how production is organised, further alienating the worker. This alienation strips labour of human and social meaning, turning it into a commodity, just as Polanyi later described. Marx's theory of alienation explains how workers become disconnected from their work, their production, other individuals, and their own human nature (Ollman 1975, 182). At its core, there is a rupture between humans and nature, which Marx sees as the essence of human nature itself. This condition arises when individuals are deprived of agency within these production activities (1975, 178). Being deprived of control over both the content and the conditions of their labour, workers become alienated not only from their work but also from each other, as competition replaces cooperation, transforming their activity into something imposed (1975, 178). In addition to alienation, Marx identifies another structural consequence of capitalism: the formation of the 'reverse army of labour', such as a surplus population of unemployed or underemployed individuals who remain perpetually available for capitalist exploitation (Marx 1867). This group plays an essential role, as it keeps wages low and ensures that workers remain easily replaceable. As capital accumulates and productivity rises–often through technological innovation–fewer workers are needed, thereby expanding the surplus population. Consequently, this dynamic not only ensures a flexible labour supply but also consolidates the dominance of capital over labour (Marx 1867). By framing alienation as a process with social and human consequences, not only economically, Marx can be seen as a forerunner of the socio-economic analysis later developed by sociologists such as Polanyi and Giddens.

4.3.1 Generative Politics and Embedded Economics: Social Cooperatives Beyond Traditional Welfare

Since the economy became too separated from society, inequality and conflicts grew. Socialism tried to fix these problems, though not always successfully. One proposed solution was the 'cybernetic model', based on the assumption that economic output and input should be regulated by a "higher order intelligence" (Giddens 1994, 58). However, as some 'New Right' theorists observed, "No 'intelligent centre', even with the most acutely insightful body of planners, could determine the proper prices of assets brought to the marketplace" (1994, 66). According to Hayek, the market works well as it uses practical knowledge embedded in habits. This type of knowledge, described as tacit, cannot be replicated by central planners, who are not suited to make the fast-paced decisions required in modern economies (1994, 67). This theoretical gap exposes a key limitation of socialism: its struggle to provide a practical and sustainable framework for social reconstruction, demonstrating a higher critical capacity than the development of sustainable substitutes. In fact, the socialist framework, especially the Keynesian welfare model, was unable to adapt to the changes brought about by globalisation (1994, 55). The latter was based on two fundamental principles of socialism: state control of the economy and protection of the disadvantaged. Even if it was proved effective during much of the 20th century, these foundations were insufficient as socio-economic conditions evolved. In this regard, Giddens highlights how the old welfare state has perpetuated adverse outcomes by primarily emphasising male involvement and relegating women to subordinate or dependent roles (1994, 75), reflecting a conventional gender role perspective that has helped to sustain structural inequality. In addition, this welfare model usually "confines itself largely to economic matters and leaves other issues aside, including emotional, moral, and cultural concerns" (1994, 77). On this basis, Giddens tackles the topic of welfare dependency (1994, 75), explained as both an economic state and a cultural phenomenon that can cause people to feel cut off from the larger social structure. Welfare programs risk creating apathy or isolation rather than fostering social integration, which impedes community engagement. For this reason, people have started to lose interest in political debates (of both sides) as they fail to address 'life-politics'. The latter revolves around the collective challenges of humanity in a world in which progress has become double-edged (1994, 92). The ecological crisis is a prime example of how traditional economic systems, driven by constant growth, create dilemmas that future generations will inherit. As a remedy, Giddens suggests the concept of 'positive welfare' – a system that empowers individuals through active participation rather than passive dependency. Instead

of relying on a centrally planned economy, it builds on generative and emancipatory life-politics (1994, 159). By generative politics, Giddens means grassroots policies to enhance autonomy, active trust, and decentralised, bottom-up political action (1994, 93). An effective welfare system is based on community involvement, the establishment of local initiatives such as cooperatives, and a global distributive justice that recognises the historical and structural injustices that perpetuate poverty in the Global South. This requires reforming the idea of development, which, according to mainstream thoughts, primarily concerns economic expansion. As a matter of fact, beyond the productivist mindset, values like social solidarity, environmental balance, and quality of life must be integrated. Giddens refers to this state of affairs as the 'post-scarcity society' (1994, 163), which emerges when continuous economic growth becomes counterproductive, promoting a shift away from consumerism. In this society, other life values, such as environmental sustainability, ethical practices, and cultural preservation, take precedence over material accumulation. This perspective implies that combating poverty cannot be viewed only from an economic perspective; instead, it requires re-establishing the local dimension and implementing common tactics that consider environmental and social sustainability.

This rethinking of economic priorities also recalls Ferdinand Tönnies' distinction between *Gemeinschaft* (community) and *Gesellschaft* (society), which helps explain the role of social cooperatives in balancing economic activity with social well-being within the local context. In *Gemeinschaft,* relationships are built on trust, shared values, and mutual support, where economics is linked to the act of working and sharing together (Tönnies [1887] 2001, 41). In contrast, *Gesellschaft* represents a society where economic exchanges are driven by competition and individual gain. As Tönnies puts it, "Harm to one means profit to another" (2001, 65). Social cooperatives stand somewhere in between. While they operate within a market economy, they resist the purely profit-driven logic of traditional business by prioritising solidarity and inclusion. Tönnies recognised this, stating that cooperatives are an example of economic organisations founded on community-type relations (2001, 209). Social cooperatives question the assumption that work must prioritise competition and profit, demonstrating that economic activity can be built around shared values and trust. Nevertheless, this contrast may sound too simplistic. To comprehensively analyse the role of values and norms on human actions, Granovetter's idea of embeddedness (1985) provides a valuable point of view. According to him, traditional theories often either 'oversocialise' individuals or 'undersocialise' them. On one side, the oversocialised view, common in sociology, assumes that people act mainly following social norms

almost automatically, and obedience is not perceived as a burden (Granovetter 1985, 485). From this perspective, once we know a person's social background, we can predict their choices. Conversely, the classical utilitarian economics' undersocialised perspective holds that markets function on their own thanks to competition, and "social relations and their details thus become frictional matters" (1985, 484). Granovetter moves beyond this opposition that atomises individuals by arguing that actors pursue their own interests within a network of social relations that create trust (1985, 487). Since preserving trust guarantees future transactions, those involved in these collaborations are incentivised to act honestly, which leads to the exchange of reliable information. Beyond the economic logic, these exchanges often develop a social dimension, reinforcing expectations of reciprocity and discouraging opportunism (1985, 490). In the same vein, social cooperatives can be considered as economic actors embedded in social relations, prioritising long-term relationships between the economic agents and trust and respect towards the local communities.

4.3.2 The Alternative: Social Cooperatives as Social Innovations and the Role of Empowerment

A good society fosters interpersonal relationships to create a community where people can flourish via connections and support rather than being treated as separate economic entities. Capitalism's pursuit of efficiency destroys this sort of value. Families are sacrificed for financial gain and nature for production (Mulgan 2013, 242). For this reason, there is a need for new types of economic innovations to spread through more organic growth by building new meanings as well as being useful (2013, 217). A hybrid method creates monetary and social value, leading to social innovations, which are "new ideas that meet social goals" (Mulgan et al. 2007, 8). Historically, social innovation has influenced various sectors and economic models. A striking example is Robert Owen's alternative community in New Lanark during the nineteenth century, which tried to combine economic productivity with social welfare, education, and social enrichment (2007, 10). According to Owen, the source of society's struggle at the time was the ill organisation of productive resources (Owen 1817). This dynamic pushed people to waste their potential while industries were focused on creating useless products for society, ultimately affecting the entire population. To change the situation, Owen proposed a model of agricultural and manufacturing villages in which, first of all, everyone could have access to education to correct bad habits and teach cooperation, as "It is found that when men work together for a common interest, each performs his

part more advantageously for himself and for society" (Owen 1817). This served as a structure for many other social innovation models, like more contemporary examples such as the Spanish cooperative 'Mondragon', which employs over 80,000 people and operates globally (Mulgan et al. 2007, 10), demonstrating that alternative organisational structures that balance economic productivity with social well-being can thrive in modern economies.

Further, Oosterlynck, Kazepov, and Novy (2019) argue that social innovations play a crucial role in combating poverty by challenging the limitations of mainstream welfare systems and reconfiguring the institutional structures, since social innovation emerges through bottom-up collective action. It engages various actors in developing new solutions to social exclusion, such as cooperatives of informal workers, social groceries, and training programmes for long-term unemployment (Oosterlynck et al. 2019). Social innovation addresses broader issues like exclusion and marginalisation by recognising that poverty is not just about lacking money, but it also involves barriers to education, healthcare, and social participation (2019, 5). For example, cooperatives that employ former prisoners help address both economic and social challenges, making reintegration easier. It encourages fresh approaches to social and economic organisation, establishing ways through which people can regain agency.

Within the tradition of social innovation, social cooperatives represent a concrete model that integrates social and economic goals. Social enterprises can be described as third-sector organisations that provide services aimed at combating social exclusion and delivering personal and community services (Borzaga, Santuari 2001, 166). Social cooperatives are the most prominent form of social enterprise. These organisations achieve their social mission by empowering disadvantaged individuals, eliminating socio-economic barriers that limit opportunities, and addressing personal challenges that may hinder individuals from reaching their full potential (Mongelli et al. 2018, 2). Membership includes workers, beneficiaries, volunteers (who cannot make up more than 50% of the workforce), financial members, and governmental institutions. (Borzaga, Santuari 2001, 171). According to the Italian Act of 1991, which gave legal recognition to social cooperatives, there can be two types of cooperatives. A-type offers social, health, or educational services, and B-type helps unprivileged people integrate into the workforce. They are permitted to transfer profits – in contrast with most non-profit organisations – but only under specific restrictions: a maximum of 80% of total profits can be allocated, and assets cannot be distributed upon liquidation. However, cooperatives may decide not to distribute profits but to reinvest. What makes social cooperatives unique and effective is their ability to direct services to foster people's empowerment. Instead of relying solely on financial

assistance, they prioritise service-based interventions, which have been particularly effective for vulnerable groups (2001, 177). Their local roots and trust-based networks allow them to maximise the efficiency of public resources, delivering social services to all individuals. This adaptability, combined with their entrepreneurial nature, enables them to remain at the forefront of social innovation, consistently pioneering new ways to combat marginalisation through empowerment.

Empowerment "refers to the processes by which those who have been denied the ability to make choices acquire such an ability" (Kabeer 1999, 437). In this way, the main scope of social cooperatives is to provide the tools and abilities for socio-economic emancipation for all the community members and make a more accessible society. Poverty and disempowerment are logically related because the inability to meet one's basic needs frequently precludes the ability to make meaningful choices. For this reason, Kabeer (1999) distinguishes between two types of choices: first-order and second-order. The first consists of strategic life choices that shape an individual's life trajectory, such as family planning or career paths. These decisions greatly influence someone's capacity to live a self-directed and fulfilling life, and they determine personal autonomy. Instead, the second level includes secondary options that do not essentially define an individual's overall life opportunities. In this sense, empowerment means increasing a person's capacity to make first-order choices, especially if they were previously unavailable. Social cooperatives are essential to this process because they break down systematic obstacles and provide a safe space in which people may take back control over their socio-economic lives. This process unfolds three interconnected dimensions: resources, agency, and achievements (Kabeer 1999). Resources serve as a precondition for empowerment, including social and human capital and goods like education and social networks. The agency represents the core empowerment process, referring to individuals' capacity to define and act upon personal goals. It encompasses self-perception, motivation, and purpose – often called the 'power within' (1999, 438). Resources and agency are what Nussbaum (2001) and Sen (1992) refer to as 'capabilities'.

4.3.3 From Capabilities to Empowerment: How Social Business Hybrids Bridge Economic and Social Goals

Martha Nussbaum's *Capabilities Approach* (2001) builds on Amartya Sen's earlier work (*Inequality Re-examined, 1992*), which focuses on evaluating the quality of life and emphasising a pluralistic view of human well-being (Nussbaum 2001, 25). This approach prioritises substantive opportunities – such as health, education, and personal

choice – over purely economic metrics. It rejects utilitarian frameworks in favour of recognising the qualitative diversity of central human capabilities (2001, 25). Nussbaum extends the approach to incorporate concepts like human dignity and a threshold of fundamental justice. Her theory aims to construct a system of fundamental political rights guided by a specific list of central capabilities (2001, 27). For Nussbaum, capabilities refer to the substantive freedom or opportunities individuals have to choose and act, shaped by personal abilities and socio-economic-political actions (2001, 28). She makes a distinction between basic capabilities, i.e., "the innate faculties of the person that make later development and training possible" (2001, 24), and combined capabilities, which are formed when internal capabilities (personal traits like health or skills) integrate with external conditions, reflecting the real opportunities available (2001, 29). A just society fosters internal capabilities while ensuring that external conditions allow individuals to exercise their freedoms (2001, 31). Therefore, public policies and organisations like social cooperatives promote combined capabilities by enhancing internal capabilities and supporting structural conditions to integrate them. Nussbaum's approach also identifies ten central capabilities necessary for human dignity (2001, 39-40), from life to senses and emotions.

We can find the practical application of the capability approach inside the Social Business Hybrid (SBH) models. SBHs are organisations that blend components that might not seem compatible at first. Because of this special combination, SBHs can develop business strategies that produce financial benefits while tracking urgent social issues by fusing a market-driven economic dimension with a strong commitment to their social impact (Mongelli, Rullani 2024, 68). By facilitating economic capabilities – the abilities that enable people 'to be' (identity, status) and 'to do' (actions) inside the economic process of value creation, they can support a variety of types of empowerment. Generally, SBHs can support economic empowerment in two key ways. On the one hand, through creation enablement, a process in which people actively participate in creating economic value. On the other hand, through access enablement, when individuals gain access to resources or services from which they were previously excluded, either as consumers or as beneficiaries indirectly profiting from the generated value (2024, 74). These models enable individuals to become co-creators of economic values by recognising and developing their potential. In Italy, type B social cooperatives are a portrayal of this model. Mongelli and Rullani refer to this model as 'Work integration SBHs' (2024, 71). The authors claim that to enable and include the marginalised individuals inside the work sphere, there can be two main modalities: through *Integrated* SBHs, where disadvantaged people contribute as customers of the transaction,

and through *Differianted* SBHs, in which individuals have access to goods or services that were previously out of reach for them without active engagement within economic transactions intermediated by third parties (2024, 74). In the former, Integrated SBHs create enabling conditions that make market access feasible, allowing people previously excluded by structural or personal reasons to participate in the goods and services market. These programmes focus on population groups with poor purchasing power at the "base of the pyramid" (2024, 75). By employing affordable innovation, these SBH's models make basic goods affordable, enhancing the life quality of beneficiaries. This is economically sustainable, as it positively exploits to its advantage the large number of people at the base of the pyramid, transforming them into active customers and ensuring financial inclusion and empowerment.

Conversely, Differentiated SBH treats individuals with distinct needs that make engaging in productive activities or market transactions problematic. Therefore, it employs a dual-structure framework. On the one hand, it provides specialised empowering services; on the other, it provides goods or services to third parties. The revenues generated by business activities pay for the social part, maintaining financial sustainability while ensuring social responsibility (Mongelli, Rullani 2024, 75). This analysis of SBH highlights their innovative role in bridging economic and social goals to alleviate systemic inequalities. The capability approach used in this model clearly illustrates how economic empowerment can occur, including direct involvement in value creation or easier access to resources. One notable feature of SBHs is their ability to customise solutions for various groups. In this sense, type B cooperatives emphasise employment as a direct means of promoting inclusion. This strategy aids people in regaining their sense of dignity, belonging, and financial stability. Therefore, social cooperatives go beyond charity-based models, as they provide a self-sustaining way to drive social change by embedding empowerment mechanisms into business structures.

4.4 Social Cooperatives Within the Italian Penitentiary System: Structure and Challenges

Italy's prison system has been shaped by laws that have evolved since 1975, but many issues remain unresolved. Today, the system is organised into regional districts, including around 190 prisons spread across the country. Some of these facilities are housed in old, deteriorating buildings not designed for modern detention (Marietti 2019). Related to this, one of the most pressing problems is still overcrowding. As of February 2025 data reveal an occupancy rate

of 132.4%, meaning that 62.132 inmates are confined in institutions designed for 46.910 people (ANSA, 2025). Regional disparities exacerbate this crisis, as in Lombardia, Puglia, Veneto and Molise, the capacity violations are more acute (ANSA, 2025). Furthermore, demographic analysis of the incarcerated population shows concerning trends of social marginalisation. Although the proportion of foreign detainees has declined from 37.5% in 2017 to 31.9% in 2024, this group still encounters unequal challenges in accessing alternative sentencing options (Antigone 2024), underscoring how poverty and social exclusion feed into the justice system.

Rehabilitative programmes in the Italian prison system find their legal basis in Article 27 of the Constitution, also reaffirmed by prison legislation of 1975, which established the norms for the treatment of inmates. It aimed to transform the correctional philosophy from punitive confinement to social reintegration (Materia 2017). Law No. 354 of 1975 reframed work as a tool for reintegration rather than punishment. Under this law, prisoners can work either for the prison administration, receiving two-thirds of the national minimum wage, or for external employers, with social cooperatives playing a major role in offering meaningful employment opportunities (Cavotta, Rosini 2021). According to the Italian Ministry of Justice (Ministero della Giustizia), rehabilitation takes form through *trattamento rieducativo* (re-educative treatment). This structured path aims to tackle the personal and social difficulties that often contribute to crime. The process begins with an initial assessment, as outlined in 27(1) of Presidential Decree No. 230/2000, where specialists evaluate an inmate's needs and background. From there, a multidisciplinary team designs an individualised programme to encourage reintegration (Associazione Il granello di senape, 2012). The idea is to reshape attitudes that hinder social reintegration, offering inmates a real chance at rebuilding their lives, making rehabilitation more than just a principle on paper.

To encourage more initiatives, the Legge Smuraglia (Legge del 22 Giugno 2000, n. 193) was passed in 2000, giving financial benefits to companies and social cooperatives that hire inmates and recognising prisoners as disadvantaged workers who are required to comprise at least 30% of the workforce in type B cooperatives (Cavotta, Rosini 2021). However, despite these efforts, the number of inmates engaged in work activities remains low. In 2024, 17,096 prisoners were employed within the prison system, while only 4,144 worked for external employers, including social cooperatives (Ministero della Giustizia 2024; Antigone 2024). Although educational and vocational training remains highly unevenly distributed among regions. In 2024, only 6% of inmates participated in vocational courses, but this rate varied drastically: while 14% of inmates in Lombardy had access to training, in Sardinia and Basilicata, the percentage fell

below 1% (Antigone 2024). Even if the economic incentives from the *Legge Smuraglia* (Legge del 22 Giugno 2000, n. 193) have led to new employment opportunities, with 536 companies applying for subsidies in 2024 and hiring 2,276 inmates, these opportunities remain concentrated in northern Italy (Antigone 2024). Yet, data suggests that these programmes are effective: among the 18,654 inmates who participated in reintegration programmes, only 2% reoffended, compared to a national recidivism rate of nearly 70%.[1]

The Italian approach to incarceration still struggles to balance punishment with rehabilitation. Many scholars argue that the system remains focused on control and surveillance rather than on fostering opportunities for inmates to rebuild their lives, creating a hostile environment that encourages low self-esteem and confidence (Mongelli et al. 2018). Education levels are still very low. According to CNEL, in 2023, vocational training involved just 6% of inmates nationally, and less than 3% were enrolled in a university (CNEL, 2024). In contrast, northern European models emphasise education, skill-building and psychological support, showing great results in the prisoner's well-being and lowering the recidivism rate (Pamio et al. 2025, 6). This comparison highlights the limitations of the Italian model, which lacks funding and innovation, leaving many inmates without real support. Living conditions inside Italian prisons remain a serious human rights issue. In the Torreggiani case of 2013, the European Court of Human Rights condemned Italy for inhumane detention conditions, including overcrowding and inadequate facilities (European Prison Observatory 2014). Many prisons fail to meet legal standards: cells meant for one or two people hold more inmates, running water is not always available, and artificial lighting is sometimes left on continuously for security reasons. In older buildings, poor insulation means that summers are unbearably hot and winters are freezing (European Prison Observatory 2014). This system's failure has deadly consequences. In 2024, 91 inmates took their own lives, the highest number ever recorded (Ristretti Orizzonti 2025). Many were young, foreign, or struggling with mental health and addiction. Self-harm is also rising, from 16.3 incidents per 100 inmates in 2023 to 20.3 in 2024 (Antigone 2024). These numbers paint a bleak picture of life behind bars, where isolation and neglect push many into desperation. While legal reforms and work programmes have made some progress, overcrowding, regional disparities, and inadequate mental health support continue to undermine rehabilitation efforts. But the data is clear: offering inmates real opportunities, and not just punitive confinement, reduces crime and

1 Sole 24 Ore (2023). "Carcere, recidiva quasi azzerata per chi può imparare un lavoro". https://www.ilsole24ore.com/art/carcere-recidiva-quasi-azzerata-chi-puo-imparare-lavoro-AE9e7TfC?refresh_ce&nof.

benefits society as a whole, as the failure to provide job opportunities to inmates deprives the Italian state of a return on GDP of up to EUR 480 million (CNEL, 2024).

4.4.1 The Venetian Penitentiary System

The prison system in Venice provides the sociological background for this essay. In Venice, there are two prisons: the male one called Santa Maria Maggiore, which is situated on the main island in the Dorsoduro neighbourhood, and the Giudecca women's prison. The former suffers from severe overcrowding and resource shortages. Designed for 156 detainees, the facility holds 268 inmates, leading to an overcrowding rate of 130% (Antigone 2024). The lack of prison personnel further limits access to rehabilitation programmes, psychological care, and work opportunities. Being a 'carcere circondariale', in which inmates are either awaiting trial or have sentences of no more than five years, it is even more challenging to pursue long-term rehabilitation. Additionally, 98.5% of detainees require psychotropic medications, highlighting widespread mental health issues that are exacerbated by poor prison conditions (Vianello 2024), as proven by the number of self-harming episodes (82 in 2024) and suicides (Antigone 2024). In contrast, the Giudecca women's prison has lower overcrowding rates and better rehabilitation programs. The facility houses about 107 women, many of whom are participating in educational and training programmes.

Regarding prison labour participation, the percentage in the Veneto region is relatively high. By collecting official data from the Italian Ministry of Justice, this essay compares the national data with the regional data, focusing on Venice.

Nationally, about 32.9% of inmates are involved in some kind of job, and in the Veneto region, this number climbs to 35.1%, hinting at a slightly more engaged approach. However, when we zoom in on the Venetian prisons, it is noticeable that at Santa Maria Maggiore, only 23.5% of inmates work. Most of them (20.9%) are employed by the prison itself, while just 2.5% work for third-party organisations, mainly social cooperatives. This low percentage shows how just a few bridges exist between the prison and the outside world, limiting the chances to prepare for life outside. The situation in the Giudecca's prison is quite different. Here, 44.1% of inmates are working, with nearly a third (28.4%) doing so through external employers, including social cooperatives. This suggests a stronger link between the prison and Venice's social fabric and a larger use of work as a way to build reintegration.

Table 1 Sample data on inmates' work

	Italy	Veneto	Venice (Santa Maria Maggiore)	Venice (Giudecca)
Total Inmates	61,480	2,587	277	102
Working for Prison Administration	17,096 (27.8%)	522 (20.2%)	58 (20.9%)	16 (15.7%)
Working for External Employers	3,144 (5.1%)	386 (14.9%)	7 (2.5%)	29 (28.4%)
Total Working Inmates	20,240 (32.9%)	908 (35.1%)	65 (23.5%)	45 (44.1%)

Source: Department of Prison Administration (2024) – Office of the Head of Department – General Secretariat – Statistics Section

4.4.2 The Role of Social Cooperatives Working with Inmates and Their Common Challenges

In 2024, out of the 5% of inmates, 4% were employed in social cooperatives (CNEL, 2024). The latter stands out as one of the most effective tools for rehabilitation and reducing recidivism. What makes them different is the way they help inmates not just to get a job but actually rebuild their sense of self. Rather than simply offering training, they support disadvantaged individuals through personalised plans, providing a safe environment where people receive guidance, build skills, and are supported in finding suitable employment in the regular job market (Furfaro 2008). As shown by recent studies, the benefits of these cooperatives derive from their ability to support identity transformation and the development of a positive self-image. Through rehabilitation processes focused on respect, mainly particularised respect – given to individuals based on their qualities and achievements – and generalised respect – the one that cannot be earned but is given to everyone just because they are part of a social group – inmates experience social validation that supports the emergence of new personal and social identities (Rogers et al. 2017, 228). By feeling respected and validated, they start seeing themselves not only as ex-offenders but also as workers and members of society. This process, called 'identity decoupling', allows them to hold onto their past without being trapped by it (2017, 259).

Social cooperatives support this positive process by embracing an approach based on Integral Human Development (IHD), which addresses the person's physical, psychological, and spiritual dimensions (Mongelli et al. 2018). In fact, they go beyond mere employment by offering opportunities for skill development (physical dimension), fostering trust, collaboration and a sense of belonging

(psychological dimension), and cultivating self-confidence and the desire for self-improvement (spiritual dimension) (Mongelli et al. 2018). This happens through the creation of a safe space combined with exposure to the outside reality of structured work, enabling inmates to experience growth not only as workers but as individuals, which is essential for long-term reintegration. Translating these ideas into practice, Mongelli et al. (2018) explore the experience of *Made in Carcere,* a social cooperative that works with incarcerated women. Their research shows how these cooperatives create what they call "safe space" inside prison – places where, even if just temporarily, inmates can step away from the rigid and often dehumanising routines of prison life (Mongelli et al. 2018). These spaces, both materially and symbolically, allow inmates to reimagine who they are, how they relate to others, and what kind of future they can build for themselves. This shift happens during the workshops. Away from the rigid prison discipline, inmates are invited to step into new roles, explore different values and experience human interactions. Through practical tasks and shared responsibilities, a sense of community takes shape. They help each other, learn new skills and build new relationships. The initial macro-process of safe space creation unfolds through two core micro-processes: skill-based training and the cultivation of an interactional space (Mongelli et al. 2018). Training, often guided by other inmates, helps keep the mind active and gives new meaning to the time spent in prison, replacing monotony with purposeful activity. At the same time, the chance to connect freely with peers strengthens social bonds and creates space for collaboration and support. These moments allow inmates to see themselves not just as prisoners but as people with skills, ideas, and something to contribute (Mongelli et al. 2018). By giving prisoners a sense of connection to life outside of prison, cooperatives build upon this foundation and introduce a second process. Inmates gain confidence and autonomy by being given real responsibilities, such as managing deadlines, working on actual products, and occasionally even participating in design or creative decisions (Mongelli et al. 2018). Finally, the cooperative strengthens this transformation through the implementation of a system of recognition and reward. From salary payments to the company's official recognition of their accomplishments, inmates receive monetary compensation and symbolic acknowledgement of their labour, strengthening their sense of worth and purpose.

The impact of this process is powerful, as the social support and the trust-building mechanisms that cooperatives promote help inmates to overcome defensive attitudes, such as suspicion towards changes in their employment conditions and towards income earnings; attitudes often shaped by prior marginalisation and trauma (Cavotta, Rosini 2021). Over time, this helps change how they portray work. It is

no longer just something they do to earn benefits in prison, but it becomes a path to personal growth and a contribution to society. As emphasised by Cavotta and Rosini (2021), social cooperatives focus on cultivating interpersonal skills like teamwork, rule observance and the ability to relate to authority figures – skills vital for reintegration but often underdeveloped among the incarcerated population. This approach brings the idea of rehabilitation closer to everyday life, helping inmates rediscover the meaning of effort and responsibility in a positive way, increasing the likelihood that the inmate will maintain employment after release, a key factor against recidivism.

Still, this work is not that easy or smooth. One of the biggest challenges social cooperatives face inside prisons is the prison system itself due to its rigidity. Strict rules governing inmate movements, schedules and permissions often clash with the need for flexibility and responsiveness that productive work environments require (Cavotta, Rosini 2021). Cooperatives must constantly reorganise their work schedules and even assign roles to accommodate not only the institutional constraints but also the psychological conditions of inmates, many of whom experience high levels of stress, trauma and mental health disorders. These dynamics can lead to deficits in productivity (Cavotta, Rosini 2021), which cooperatives must overcome without compromising their rehabilitative mission. There are also problems outside the prison walls. Former inmates often face strong social stigma, both while they are still inside prison and after release. This makes it hard for cooperatives to find partners, raise funds, or place people in jobs (Kılıç, Tuysuz 2024). Discrimination by employers, limited housing, and background checks are everyday barriers. Many ex-prisoners also lack basic job skills, and while cooperatives try to fill that gap, they often do not have the resources to do it. These financial constraints and the mental health care biases also limit the psychological support in the prison (Kılıç, Tuysuz 2024). All these legal, social and economic obstacles further complicate reintegration efforts and increase the risk of recidivism.

4.5 Case Studies: Rio Terà and Il Cerchio

To better understand the role of prison-based cooperatives, this essay investigates the origins, structures, and challenges of two cooperatives through qualitative research methods, including interviews and information from websites. The cooperatives in question are Rio Terà dei Pensieri, founded in Venice in 1994, and Il Cerchio, established in 1997, also in Venice. Both emerged from direct experiences within the prison system, driven by the need to offer alternatives to incarceration and foster social reintegration. Rio Terà dei Pensieri, in particular, emerged from the lived experience

of incarceration and the desire to provide new pathways for rehabilitation beyond the cell: "Thirty years ago, there was nothing in prisons – no workshops, no associations, just forced idleness. The founders asked themselves what could have been done to offer an alternative to the cell" (interview with a Rio Terà dei Pensieri's representative, Feb. 2025). Similarly, Il Cerchio originated from the work of a volunteer in prison associated with Il Granello di Senape, aiming to provide structured opportunities for reintegration. As explained by one representative of the cooperative:

> It was born from the need to offer new opportunities through work and to respond more effectively to the challenges of social reintegration. At the time, there was no support network for people finishing their sentences, despite Article 27 of the Constitution, which states that punishment must aim at rehabilitation. (interview with Il Cerchio's representative, Feb. 2025)

Thus, both cooperatives arose from prison experiences and the need to fill rehabilitative service gaps.

4.5.1 Il Cerchio

Il Cerchio operates as a multiservice cooperative, meaning that they do not focus on a single target market but try to draw on different categories of work to make sense of what they have to do: to give those with a present or past rough path with the law a chance not to be excluded from society (interview with Il Cerchio's representative, Feb. 2025). The cooperative started off small, with a contract on Pellestrina Island in Venice, employing just two semi-free detainees. Over time, it has grown impressively, reaching between 250 and 280 workers and assisting around 800 incarcerated individuals.[2] This growth reflects their strategy to embed as many former detainees as possible into various labour sectors, with the aim of reducing recidivism through stable employment:

> Often, those who have served their sentences risk being excluded from society, with a high risk of reoffending. Without concrete opportunities, reintegration becomes difficult. Il Cerchio is committed to representing and offering that possibility, turning work into a tool for rebirth and dignity.(Il Cerchio's website, 2025)

2 Il Cerchio Cooperativa Sociale (2025). Chi siamo. https://www.ilcerchiovenezia.it/chi-siamo/.

The cooperative has two active projects inside the prison's walls. First, there is the tailoring project inside the Venetian women's prison, which has become their most symbolic initiative. The idea was not to just teach practical sewing skills but also to give women the chance to express themselves creatively through inspirational ideas. As a matter of fact, the cooperative sought to revive the centuries-old tradition, carried out within a tailoring workshop already present inside the prison's building, where the women are guided through training with the objective of freeing their creativity. The inmates themselves came up with the designs, allowing the creative expression to flourish behind bars (interview with Il Cerchio's representative, Feb. 2025). The initiative began through partnerships with major companies that donated high-quality fabrics, which the women then transformed into garments. To encourage a sense of belonging and confidence, these garments are later sold outside the prison in their shop *Bancalotto N. 10* (interview with Il Cerchio's representative, Feb. 2025). Underlying these efforts is a profound philosophy that guides the workshop. Firstly, it teaches responsibility through the use of tools: "There are girls who are imprisoned for violent crimes. Holding dressmaker's scissors in one's hands gives a strong sense of responsibility." (interview with Il Cerchio's representative, Feb. 2025). Secondly, the workshop gives them a sense of personal development. The acquisition of new skills prepares them for the external work environment: "In a world where manual skills are being lost and the presence of these jobs and professionals is in high demand, it is essential to create a CV for the person who will sooner or later leave".

The second big initiative is the laundry project, founded in 2004, which employs about twenty incarcerated women. It offers professional water and dry-cleaning services and even linen rental, giving the women a real job experience as a first step toward social reintegration. It was initially conceived to meet the needs of the Venetian penitentiaries, but it grew and transformed, becoming the only industrial laundry in the historic centre of Venice (Il Cerchio's website, 2025). Today, the laundry collaborates with a wide range of hospitality businesses, including some of the most prestigious hotels in Venice and even public institutions like the Criminal Chamber, handling the cleaning of the robes (Il Cerchio's website, 2025). Beyond this project within the prisons, Il Cerchio has expanded into external services as well, with jobs for the maintenance of green areas, catering, and sanitation. This wide range of activities helps ensure that support for ex-detainees does not stop at the prison gate.

When it comes to recruiting disadvantaged workers, Il Cerchio's process is quite similar to that of a traditional company. For those serving alternative sentences, like probation, they first identify available vacancies within the structures, then search for candidates, usually through social workers. Candidates are interviewed, and if

they are considered eligible, they are hired based on their previous job experiences and the interview's outcome (interview with Il Cerchio's representative, Feb. 2025). In addition, the training for these individuals tends to be conducted mostly 'on the job', aiming to match their prior skills with the cooperative's needs. For incarcerated individuals, however, the process is different. Since not all prisoners are eligible to work, only those meeting specific legal conditions, such as having served a significant portion of their sentence and not being convicted for particular offences, can participate. Prison educators assess eligibility and contact the cooperative when a suitable candidate is identified (interview with Il Cerchio's representative, Feb. 2025). Once selected, the prisoner is integrated into a work project designed to ensure continuity in respect of her emotional and psychological condition (Il Cerchio's website, 2025). After all these selection processes, training typically starts with a one-month internship, after which the individual can begin work activities inside the prison (interview with Il Cerchio representative, Feb. 2025).

In terms of governance, Il Cerchio is organised similarly to a joint-stock company (SPA in Italian). The members' assembly elects a Board of Directors (CDA), which in turn appoints the president and vice-president. Although this body plays a largely political role and is not directly involved in daily operations, it defines the cooperative's strategic objectives. Beneath it, there are managers responsible for various departments (administration, human resources, commercial operations, etc.), each supervising sector heads who directly manage operational teams (interview with Il Cerchio's representative, Feb. 2025). Accordingly, this structure, thanks to the presence of a members' assembly and a board that share the same social goals, helps keep decisions focused on what really matters: finding a balance between running things efficiently and staying true to the principles of solidarity and inclusion.

4.5.2 Rio Terà dei Pensieri

Rio Terà dei Pensieri is a social cooperative founded in Venice in 1994, with the mission of promoting training and employment opportunities within the city's penitentiary system. Its story began at a visiting table in the men's prison, a symbolic place where two worlds met: incarcerated individuals and people from outside the prison committed to breaking the cycle of forced idleness through meaningful work. As stated on their website, the cooperative was born to give a tangible form to Article 27 of the Italian Constitution, promoting rehabilitation through practical alternatives to passive

detention.[3] At the heart of its approach, there is a strong belief in the transformative power of manual, creative, and ecological work. The cooperative explicitly states that: "Through work, and especially through artisanal and creative work, people can begin a silent but progressive process of change, testing themselves and discovering new qualities, until they regain the dignity often lost in detention". (Rio Terà dei Pensieri's website, 2025). As a matter of fact, the workshops they run are not just about job placement– they are spaces where personal identity and social relationships can be rebuilt. This vision runs through all their projects, from the well-known *Malefatte* line to the *Orto delle Meraviglie.* The cooperative is active in both the men's prison at Santa Maria Maggiore and the women's one on Giudecca Island. In the former, *Malefatte* was launched back in 1999 as a leather goods lab, then restructured in 2009 to focus on upcycling PVC banners into unique fashion accessories: "The idea came from a creative graphic designer for the Venice municipality, Fabrizio Olivetti. Instead of throwing the banners away, he came to Rio Terà, and with the municipality's support, the project grew" (Interview with a Rio Terà dei Pensieri's representative, Feb. 2025). Even the name *Malefatte* – literally 'misdeeds' – was chosen with intention: it reclaims both the discarded material and the social stigma tied to incarceration, turning them into something new and valuable (Rio Terà dei Pensieri's website, 2025). The cooperative also runs a screen-printing lab, active since 1995, where inmates print on t-shirts and tote bags, often for well-known cultural institutions like Teatro La Fenice and Palazzo Grassi (Interview with a Rio Terà dei Pensieri's representative, Feb. 2025). This integration of the cooperative's work into the city's prestigious institutions further reinforces the notion that inmates are not outside society but actively contributing to it. Moreover, in the women's prison on Giudecca, the focus shifts to cosmetics and agriculture. Under the supervision of a certified chemist, inmates are trained in the production of natural skincare products, which are sold as part of the cooperative's ethical cosmetics line (Rio Terà dei Pensieri's website, 2025). Not far from the lab, the *Orto delle Meraviglie,* a 6,000 square-metre garden, serves as a space for ecological and agricultural training, together with the creation of a community both among inmates and with the outside society. Today, it produces over forty varieties of vegetables, herbs and flowers cultivated with respect for the environment (Rio Terà dei Pensieri's website, 2025). Most importantly, the women who work the land also run the public product stall on Thursdays, directly engaging with the Venetian citizens: "The women who cultivated the crops

3 Rio Terà dei Pensieri (2025). Chi siamo. https://www.rioteradeipensieri.org/cooperativa/.

are the ones selling them. It is a key moment for the participation and contact with the community." (Interview with a Rio Terà dei Pensieri's representative, Feb. 2025). These projects are not isolated from the broader reintegration process, which the cooperative has gradually expanded to include post-release support. Rio Terà offers a structured pathway that begins with training and internships inside the prison and extends to external employment and housing upon release. The selection process begins either through official training courses or informal applications. Candidates undergo an eligibility check, a short interview, and a training period of one to two months. Whereupon, the inmates follow a four- to five-month internship supported by a municipal work grant. If successful, the person may then be formally employed under the national cooperative contract (Interview with a Rio Terà dei Pensieri's representative, Feb. 2025).

Regarding external reintegration jobs, they often rely on three main channels: Veritas, the city's street-cleaning service; the external *Malefatte* lab in Marghera; and the cooperative's shop in Venice in the San Polo neighbourhood. Each project is adapted to the individual's legal status, skills and needs. Additionally, the cooperative obtained two housing units for recently released male inmates, acknowledging that employment alone is insufficient to prevent recidivism of ex-offenders. This is no small accomplishment in a city like Venice, where growing tourism frequently overlooks the needs of residents:

> It is very difficult to find a stable home in Venice because the political trend here is to focus more on tourists than on locals. However, we have managed to collaborate with public and private entities to make this happen. (interview with a Rio Terà dei Pensieri's representative, Feb. 2025)

This deep commitment to inclusion, solidarity, ecological sustainability, and artisanal quality is anchored in a strong and effective governance model. The cooperative is led by a board of three: President Vania Carlot, Vice President Emanuela Lucidi, and a third director. It includes thirty members, a mix of volunteers and disadvantaged workers. Decision-making is shared with the operator group, which consists of the board and the prison-based staff (Interview with a Rio Terà dei Pensieri's representative, Feb. 2025). This way of working ensures that economic goals never overshadow the cooperative's deeper mission: restoring dignity, agency, and opportunities to often forgotten people.

4.5.3 Research Findings: Common Challenges and the Role of Tourism

The interviews with the representatives from Rio Terà dei Pensieri and Il Cerchio offer a vivid picture of how social cooperatives operate within a complex and highly competitive economic environment like the one in Venice, where tourism dominates much of the urban fabric. The results from this research show how, although both cooperatives depict work as the cornerstone of social reintegration, they apply this principle through different strategies and models. One of the evident points of convergence is the recognition that "balancing social and economic goals is the real, daily challenge" (Interview with the Rio Terà dei Pensieri's representative, Feb. 2025). In particular, Rio Terà, as a social enterprise positioned within a competitive marketplace, is aware of its structural disadvantage: "We are in the market like any other artisanal screen-printing workshop, fully knowing that we are not competitive. Today's market is automated, but we go against the trend" (Interview with a Rio Terà dei Pensieri's representative, Feb. 2025). As a matter of fact, Rio Terà is grounded in artisanal, small-scale production. For this reason, it explicitly distances itself from the logic of automation and economic efficiency typical of mainstream, highly productive markets. Their approach is intentionally labour-intensive, using traditional four-arm manual presses to maximise employment rather than fast production. Instead, Il Cerchio follows a multi-service model and operates primarily through public tenders in sectors such as catering, cleaning, and green maintenance, rather than mainly focusing on artisanal production like Rio Terà. Nevertheless, it also faces increasing market pressure. According to its representative, "There used to be an understanding that the goal was social, and clients accepted the imperfections. Today, the market demands that we perform like any regular business" (Interview with Il Cerchio's representative, Feb. 2025).

In this context, tourism plays an ambivalent role. On the one hand, it provides visibility and economic resources. For Rio Terà, the shop in San Polo and international online sales, especially to countries like Germany and France, represent important income streams. The cooperative distinguishes between "the local citizens, who are sensitive to the prison theme and support the project, and the tourists, who have always enthusiastically welcomed the initiative" (Interview with the Rio Terà dei Pensieri's representative, Feb. 2025). However, it remains critical of Venice's dominant tourism model: "We have always chosen not to expand. We remain small but attentive to the people we work with. We could have made typical souvenirs, like masks, but we prefer to remain consistent with our project" (Interview with a Rio Terà dei Pensieri's representative, Feb. 2025). In fact, previous attempts to sell to souvenir shops have failed, as "those

who buy this type of product are not interested in having it printed artisanally" (Interview with a Rio Terà dei Pensieri's representative, Feb. 2025) and prefer to maximise profit by selling products made with cheap materials and by a form of labour disconnected from any social purpose or concern for human dignity. Consequently, the cooperative's main way to remain competitive is to communicate each product's social and ethical meaning to the public, relying on values like sustainability and solidarity rather than mass appeal.

Regarding Il Cerchio, even if it has fewer interactions with tourism, it still acknowledges the influence of tourism on its operations. For instance, by purposefully positioning the *Bancalotto N.10* store close to the Rialto Bridge, the cooperative takes advantage of the foot traffic of tourists. In addition, the cooperative also manages a prison laundry that provides services to hotels and B&Bs. Even if tourism can be a financial help in these cases, the cooperative's representative explained how, due to the rise of 'hit-and-run' tourism, many visitors fail to grasp the mission behind the cooperative's products. The brief duration of most tourists' stays in Venice prevents them from understanding the social value embedded in these goods, an element that sets them apart from typical commercial items. This dynamic increases the disadvantage of cooperatives in an economy heavily based on mass tourism and mass consumption, revealing a deep tension between the long-term goals of social reintegration and the fast, superficial consumption pattern typical of mass tourism. As the representative notes:

> To convey a complex message, it takes time. In a fast-paced, low-cost tourism system, our message arrives only marginally. Some foreign clients, particularly from the US and Canada, are attracted to the products but often fall in love with the garment rather than for what is behind it. (Interview with Il Cerchio's representative, Feb. 2025)

Another obstacle that can also be linked to tourism is the housing crisis, which, aggravated by platforms like Airbnb and the rise of rent costs, makes finding accommodation almost unattainable for former inmates and for the cooperatives that try to help them outside prison.

Furthermore, both cooperatives face persistent institutional barriers that hinder their efforts. As Rio Terà explains,

> After three renewals, a temporary contract must become permanent. However, we cannot realistically permanently hire all the inmates who work with us. For this reason, we try to keep people as long as possible and then direct them towards other realities. This strategy is essential to maintain the cooperative in the long term. (Interview with a Rio Terà dei Pensieri's representative, Feb. 2025)

To counterbalance this challenge and financially maintain the cooperative, Rio Terà relies on partnerships with organisations like MACE, which employs ex-prisoners in the hospitality sector, and on big supporters such as the artist Mark Bradford, who brought visibility and helped expand external support networks. Beyond contractual and economic constraints, another point to consider concerns the strict regulations governing prisons and the persistent social bias against inmates, which often pose significant obstacles for cooperatives working with inmates (Interview with Il Cerchio's representative, Feb. 2025). On top of that, the intolerable condition of many Italian detention facilities, marked by high suicide rates and severe overcrowding, exposes a structural fallacy within the prison system itself, which not only undermines the dignity and rehabilitation of inmates but also makes it increasingly harder for social cooperatives to operate effectively.

Internally, Il Cerchio must also deal with organisational challenges. With more than 150 workers from over 50 nationalities (125 non-disadvantaged workers and 23 disadvantaged, seven of whom are inmates), maintaining cohesion and shared goals can be complicated: "Finding a common language to share objectives is a major challenge. We have to manage a highly diverse and widespread organisation" (Interview with Il Cerchio's representative, Feb. 2025).

Taken together, the experiences of Rio Terà and Il Cerchio reveal both the potential and the fragility of socially orientated enterprise in a context marked by commercial, organisational complexity and mass tourism. While ethical employment models can survive, they require continuous adaptation, institutional support, and consumer awareness to remain viable.

4.6 Interpreting the Findings

The following chapter offers a critical interpretation of the research findings illustrated before by placing them in dialogue with the theoretical framework and the socio-economic reality of Venice. Rather than presenting the findings in isolation, the discussion follows a threefold narrative: it examines how social cooperatives act and adapt within the city, how their strategies resonate with or challenge theoretical concepts, and how they are shaped by – and respond to – the pressures of a tourism-driven urban economy. Through this intertwined interpretation, the cooperatives' practices are re-understood as meaningful forms of agency, resistance, and innovation. As a result, the chapter highlights the complex dynamics at play between local action, structural constraints, and socio-economic transformations.

4.6.1 Social Cooperatives as Counter-Movements Against Capitalist Pressures

The findings confirm that social cooperatives in Venice function not only as hybrid organisations balancing social and economic objectives, but they can also be considered as what Karl Polanyi (1994) would describe as counter-movements, such as socio-environmental and economic responses to the disembedding forces of the market (Polanyi 1994). Polanyi argued that unregulated markets tend to strip economic life from its social context by commodifying land, labour, and money. Social cooperatives respond to this phenomenon by re-embedding economic life within social institutions and relationships. This is particularly evident in their relationship with tourism. Rather than submitting to the logic of mass tourism and mass consumption, these cooperatives use their economic activity as a tool of resistance, crafting business models that push back against commodification, marginalisation, and depersonalisation. By doing so, their presence in the market does not signify compliance but rather a repositioning: they operate within the economy but against the dominant logic. Decisions such as refusing to produce souvenir goods, staying intentionally small, or placing great importance on the storytelling of their ethical products are not just branding strategies but economic decisions with a social meaning. Therefore, instead of letting tourism reshape their identity, the cooperatives internalised the principles of the counter-movement in the very way they produce and sell.

In addition, their approach also aligns with Anthony Giddens' concept of generative politics, which calls for grassroots actions that enhance autonomy, decentralisation, and community involvement (Giddens 1994). By creating a sense of community within the work environment and with the consumer, the cooperative model becomes a broad strategy to reclaim agency, dignity and solidarity within an increasingly extractive economy. However, there is also a degree of ambiguity. Giddens tried to depict a third way between socialism and capitalism, which could be economically efficient and resistant in the market while remaining ethical. However, as reported by the interviews, when the market pressures aggravated by tourism become too intensive, the cooperatives prefer to step back. But this partial retreat is not a sign of weakness. In this way, these cooperatives do not simply mediate between market and society; rather, they build an economic microcosm that follows its own logics, values and temporality. In this light, their marginality becomes a form of autonomy. They do not reject the market but actively choose a different one, which is slower and more respectful of their workers. Consequently, instead of saying that these cooperatives embody a third way, it would be better to state that they create their own way.

4.6.2 Reclaiming Agency Through Work: From Alienation to Intentionality

What emerges from the findings is not merely a story of adaptation to structural constraints but of intentional design: a deliberate effort by the cooperative management to preserve human agency within economic production. This is particularly visible in the case of Il Cerchio and its initiative *Bancalotto N.10,* in which incarcerated women are involved in meaningful labour processes that include their voices and choices. This approach starkly contrasts what Marx (1867) described as alienation – a condition in which workers are stripped of their control over both the process and the product of their labour. Alienation, Marx argues, is not only economic but deeply social and existential: it excludes the workers from their creative potential, their peers, and their human nature (Ollman 1975). In contrast, Il Cerchio and Rio Terà dei Pensieri create a working environment intentionally designed not to mirror the alienating conditions of the mainstream economy. For example, the fact that inmates are involved in shaping the design's aesthetics and meaning of what they produce suggests that labour is not imposed upon them but co-constructed. Importantly, this resistance is not accidental but a specific and well-thought-out managerial choice. As interviews make clear, the cooperatives could scale up, standardise, or even fully integrate into the tourist economy; their workers might be capable of doing so. However, management refuses this path precisely to protect those same workers from being absorbed into systems where they would lose the autonomy and solidarity that define the cooperative's ethos. In other words, it is not just a matter of ability but mainly of principle. Thereby, the cooperative actively defies the capitalist imperative of surplus generation, instead challenging the very structure that produces exclusion. Its decision to limit expansion is not a sign of fragility or a casualty, but an act out of coherence with a broader critique of commodification and alienation. Much like Marx's analysis of the working class being exploited, the two cooperatives reclaim work as a space for reconnection with oneself and with others. Within Venice's tourist-dominated economy, where speed, visibility and availability often define value, this model presents a quiet but powerful refusal: it insists that work must serve people, not the other way around.

4.6.3 Building Communities, Not Just Workplaces: Solidarity, Embeddedness, and the Cooperative Ethos

This intentional refusal to reproduce alienating working conditions not only preserves individual agency but also reshapes the fabric

of relations within and outside the cooperatives. What emerges is fundamentally a new approach to building cooperation. In fact, the findings show that social cooperatives do not simply organise labour, but they cultivate living, breathing communities. Ferdinand Tönnies' [1887] (2001) distinction between *Gemeinschaft* (community) and *Gesellschaft* (society) helps delineate a boundary between mainstream workplace collaboration and the cooperative's one. While *Gesellschaft* refers to a model of social life based on individual performance and strategic interactions, *Gemeinschaft* captures relations built on mutual support, shared values and trust (Tönnies 2001). In other words, not all human interactions are genuinely emotionally worthwhile, and not all collaborative working relationships result in genuine, meaningful connections. Even the most efficient corporate team may appear 'collaborative' while still operating within a system of alienation and exploitation. This distinction is especially striking in a setting like Venice, where economic life is shaped by impersonality. In contrast to the push for efficiency and scale, the two cooperatives promote a slower, embedded and more relational way of working, rooted in mutual care instead of mere coordination. What sets them apart is not just what they do, but how they do it. As a matter of fact, cooperation in this context becomes an ethical and emotional process close to the idea of community proposed by Tönnies, as the ability to respond to tourism-induced stress is distributed across a trust-based network of cooperation, which includes workers but also other social cooperatives such as MACE and external allies like the artist Mark Bradford. The role of trust in these connections is fundamental, as Granovetter (2017) puts it, "Trust and trustworthy behaviour are critical assets for any economy, principally because they lead people to cooperate". (Granovetter 2017, 56). Similarly, the relationships within and around the cooperative rely on shared histories, emotional bonds, and a common purpose, enhancing organisational cohesion and resilience. Granovetter also distinguishes different types of embedded relationships in this context. On one hand, relational embeddedness refers to the bonds between pairs of individuals (2017, 17), whether between inmates and the staff or between the cooperatives and the local population. These relationships are shaped by shared experiences and emotional closeness, creating a work culture that fosters confidence, responsibility, and collective creativity. On the other hand, structural embeddedness involves the overall structure of the social network in which individuals are situated (2017, 18). For example, as Granovetter explains, a worker may feel closer to their supervisor if the latter is known to be respected and trusted by the rest of the team. It is a matter of information exchange and networks that build this embeddedness, as the sense of trust does not exist in isolation, but it spreads through the whole organisation. The findings suggest that this cooperation and embeddedness play out on

multiple levels. First, within the workshops themselves, cooperation strengthens individual motivation and creativity. Inmates are not simply executing tasks – they are creating something together. This generates a shared sense of ownership and purpose. For instance, the ability of Il Cerchio to maintain a stable and inclusive workforce, despite its high internal diversity, is not just the fruit of good coordination but mainly of the presence of a shared narrative of care, inclusion and ethical commitment. However, the dynamic goes further. It reaches out to local customers, including institutional and economic partners, who support the project for its products, mainly because they identify with its narrative. Therefore, it would be fair to say that this type of solidaristic relationship, embedded in the cooperative's structure, positively influences a great number of stakeholders. The kind of cooperation seen in these cooperatives radically differs from standard teamwork in a mainstream business setting: it is not just about assembling labour for maximum efficiency but especially about building valuable human relationships that truly empower.

4.6.4 Local Resistance against the Tourism Monoculture

The implications of the embedded, community-based model extend beyond the cooperative's walls. In a city like Venice, where tourism has become the dominant economic engine, these solidaristic networks take on an even deeper significance. What the findings reveal is that the cooperatives' mode of action constitutes a deliberate form of local resistance to the city's increasingly monocultural economy. This intentional choice to stay small and avoid mass-market souvenir production constitutes a countermovement in the Polanyian sense that can also be seen as a locally grounded effort to diversify the city's economic fabric. This resistance becomes even more relevant when situated within Venice's current socio-economic and urban landscape. As Bertocchi, Camatti, and Van Der Borg (2020) explain, Venice has become a textbook case of '*iper-turismo*', where the physical and social carrying capacities of the city are routinely exceeded due to structural limitations and relentless visitor flows (Bertocchi et al. 2020, 41). With over 4.6 million visitors annually, 70% of whom concentrate in the historical centre (Choi et al. 2024), the city far exceeds its sustainable capacity. Research points out that the estimated maximum daily capacity is around 19,000 hotel guests, 25,000 tourists using complementary accommodations, and a few thousand day trippers – figures that nearly equal the current number of residents (Bertocchi et al. 2020, 54).

While tourism can actually generate important economic opportunities and cultural exchanges, its unchecked expansion

creates an overdependence that undermines the long-term sustainability of the city as a whole (Camatti 2024, 109). In fact, such extreme reliance leaves cities highly exposed to external shocks, like seasonal downturns, economic crises and natural disasters (2024, 109). In the case of Venice, its particular geography and concentration of attractions in the historic centre have only intensified this process. Venice has witnessed a process of spatial and economic transformation in which the urban fabric is progressively reconfigured to serve the needs of visitors rather than residents. This transformation, intensified by the rise of peer-to-peer rentals and short-term accommodations such as Airbnbs, has led to the displacement of local housing, the decline of public services, and the prioritisation of commercial spaces geared entirely toward tourism (Bertocchi et al. 2020, 42-3). As a result, the increase in businesses catering exclusively to tourists has led to the progressive marginalisation of areas that once served the needs of residents (Bertocchi, Visentin 2019). Since the 1970s, local shops were replaced by souvenir stands, fast-food chains, and luxury retail – often franchises rather than locally owned – and the majority are located in the San Marco area (Bertocchi, Visentin 2019) In this way, as tourism becomes the dominant framework, the social contract between residents and the city begins to erode (Camatti 2024, 111).

Cities that rely heavily on tourism often become trapped in a vulnerable economic monoculture: what initially appears as a resource for development can quickly become a constraint, limiting economic diversification and the promotion of innovation in other sectors (Camatti 2024, 111). In this context, social cooperatives offer a rare but essential deviation from this dominant trend. Their small-scale and socially embedded economic practices disrupt the homogeneity of the monocultural economy. Rio Terà dei Pensieri and Il Cerchio do not oppose tourism in principle, but they resist being absorbed by its logic, maintaining a piece of economic independence. In addition, this resistance extends beyond the cooperatives themselves. It is woven into the daily practices of the residents, who often engage in subtle, everyday forms of refusal: avoiding streets usually too full of tourists, supporting small local businesses, or choosing to participate in more relational and social forms of exchange. As Gravari-Barbas and Jacquot (2017, 35) remind us, local resistance does not always take the form of a formal political protest. Sometimes it is expressed through gestures that go unnoticed – a quiet decision to preserve local rhythms in the face of economic pressure. Social cooperatives recognise and reflect this kind of resistance. Locals support their work not only for what it offers to marginalised people but also because it restores a sense of connection and continuity with the Venice they want to live in.

4.6.5 A Shared Alternative: The Right to Choose a Life Beyond Tourism

What if the economic alternatives proposed by the cooperatives were not just addressed to the marginalised but to everyone? That is what emerges as the '*fil rouge*' between the findings: the deliberate effort of the cooperatives to place individuals, regardless of their social status, in a condition to act autonomously. As introduced before, by resisting the pressures of the monoculture and remaining economically independent, the cooperative offers an alternative to everyone who wants to avoid working in tourism. This mechanism resonates with the capabilities approach developed by Martha Nussbaum (2001), which builds on Amartya Sen's work to evaluate the quality of life through the real opportunities individuals can choose and the skills they can acquire. This approach places agency, human dignity and freedom at the centre of development, rather than income or productivity. As Nussbaum suggests, a just society is one that secures not only the internal capabilities (like health or skills, for example) but also ensures the structural conditions for individuals to express those capabilities in action (Nussbaum 2001, 29). That is where cooperatives come in. The resistance towards the monoculture, combined with the social goals that characterise their economic activity, helps the cooperatives create these enabling conditions. However, once again, the beneficiaries are not just inmates or people in difficulty but also non-marginalised individuals who empathise with the struggle and do not want to have a job circumscribed by the city's tourism. For instance, Il Cerchio, where 125 out of 148 workers are not classified as disadvantaged, yet they decide to work in an environment grounded in care, flexibility and inclusion. The cooperatives do not merely fill gaps left by the market; they create spaces for those who wish to live and work in Venice without being absorbed by tourism. In other words, they support individual empowerment and the collective right to live and work in Venice differently. As Camatti (2024) notes, cities must urgently diversify their economies to remain resilient, and social cooperatives contribute to this vision by building a parallel economy, smaller in scale but richer in social meaning and local coherence.

4.7 Conclusion

Venice is often reduced to a postcard, a tourist attraction, consumed by its popularity. However, behind the curtain of mass tourism, this essay has tried to uncover small acts of resistance. What emerged is that the social cooperatives studied do not just survive within this environment: they respond to it, reshape it, and, in their own way,

push back. As explored in the final chapter, these cooperatives act as countermovements, following the theories of Polanyi, to challenge the disembedding logic of the market. Their refusal to produce mass-market souvenirs or scale up for profit is not just a practical choice, but a political and ethical one. They are choosing slowness, relationship, and meaning in a place where efficiency and visibility are often the only measures of value. What is powerful is that the vision these cooperatives offer is not just meant for the marginalised. Instead, it speaks to anyone who feels out of place in today's market, those who are tired of jobs that feel disconnected or of living in a city that no longer feels theirs. Furthermore, these cooperatives remind us that choosing to enhance small, artisanal production and to stick to their values can also be considered a form of success. Sometimes, that looks like a workshop where inmates co-design the products they make. Sometimes, it is simply the choice not to sell mainstream souvenirs. Their work goes far beyond employment. These cooperatives build spaces of belonging where people can reconnect with themselves, with others and with the possibilities of change, rejecting the schemes of alienation that Marx strongly criticised. Even in the tough context of incarceration, they manage to do so. What stands out is that these organisations are not stepping outside the market. They remain viable, they sell products, they pay salaries. But they are doing so on their own terms, showing that building another kind of economy is possible. Even if they may be small and sometimes overlooked, they still invite us to choose: do we passively accept the logic of the market as inevitable, or do we dare to defend other ways of living and working based on care and interactions? Therefore, rather than offering a final answer, this conclusion is more like an invitation to continue looking at the margins to recognise the seeds of transformation in them.

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